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FISCAL IMPACT STATEMENT

LS 6466

BILL NUMBER: SB 236

NOTE PREPARED: Dec 26, 2012

BILL AMENDED:

SUBJECT: Mortgages And Liens On Real Property.

FIRST AUTHOR: Sen. Holdman

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: The bill removes language that prohibits a person from maintaining an action to foreclose a mortgage or enforce a lien if the last installment of the debt secured by the mortgage has been due more than 10 years.

The bill provides that if the record of a mortgage or lien that was created before July 1, 2012, does not show the due date of the last installment, the mortgage or lien expires 20 years (instead of 10 years under current law) after the date of execution of the mortgage or lien, unless an action to foreclose is brought within 20 years of the execution of the lien.

The bill provides that if: (1) the record of a mortgage or lien does not show the due date of the last installment; (2) the execution date is omitted from the mortgage or lien; and (3) the mortgage or lien was created before July 1, 2012; the mortgage or lien expires 20 years (instead of 10 years under current law) after the mortgage or lien is recorded, unless an action to foreclose is brought within 20 years of the execution of the lien.

It makes corresponding changes in the provision that allows the mortgagee or lienholder to file an affidavit stating when the debt or the last installment of the debt secured by the mortgage or vendor's lien becomes due.

Effective Date: July 1, 2012 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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